



21
(D. Roman) DOER

2005 SEP 19 AM 10 03

September 14, 2005

Mr. John F. Carter
Regional Director
Federal Deposit Insurance Corporation
25 Jessie Street at Ecker Square, Suite 2300
San Francisco, CA 94105

Re: FDIC Application #20051977; Wal-Mart Application for Insurance and Industrial Bank Charter

Dear Mr. Carter:

I appreciate the opportunity to comment on the Wal-Mart Stores, Inc. application for a Utah industrial bank or industrial loan company charter (ILC) and federal insurance. We at Community First Bank strongly oppose the application and urge the FDIC to deny the application.

In my opinion, Wal-Mart's attempt to enter into banking is dangerous for our country and should be blocked. It would increase the economic power of an already dominant retailer and would be contrary to our country's long-standing safety net that separates banking from commerce. Allowing such a financial concentration would pose an enormous systemic risk and could jeopardize our country's financial system. In addition there would be an inherent conflict of interest by allowing Wal-Mart to enter banking. Banks provide credit to all different types of businesses that compete with Wal-Mart. A Wal-Mart bank would be making decisions on whether or not to provide credit to businesses that could compete with them. This would be bad public policy and could jeopardize the impartial allocation of credit to these businesses.

Wal-Mart, while delivering low prices, has eliminated locally owned businesses which has sapped the life out of a number of communities around our country. Locally I see Wal-Mart wielding their power by threatening to abandon communities if they don't give them tax incentives at the local taxpayers expense. Allowing Wal-Mart to get into banking would exacerbate this problem by eliminating local banks and further destroy the fabric of many communities. Ultimately people will have less banking choices in the long run.

Our bank is involved in several local communities. Over the years we have had employees serve as chamber presidents, rotary presidents, chairman of economic development committees and numerous other civic organizations. Rarely do I see a general merchandising chain store involved in our local community. Wal-Mart's practice of putting local competition out of business through price-cutting could eliminate banks like ourselves and all of the community support it contributes.

4600 North Illinois Street
P.O. Box 1983
Fairview Heights, Illinois 62208
(618) 234-9500 Fax (618) 234-9585

www.community1stbank.com
bankers@community1stbank.com

We need to preserve the separation of banking and commerce and community banks by denying their application.

Very Truly Yours,

COMMUNITY FIRST BANK

A handwritten signature in cursive script, reading "Charles W. Daily". The signature is written in dark ink and is positioned above the printed name and title.

Charles W. Daily
President

CWD/ms